

Power of Attorney and Other Third Party Authorizations

Common Types of 3rd Party Authorizations


- Power of Attorney (POA)
- Tax Information Authorization (TIA)
- Third Party Designee (or Checkbox)





Other Types of 3rd Party Authorizations

- Form 56, Notice Concerning Fiduciary Relationship
- Power of Attorney for Estates (Part 4 of Form 706)
- Form 8655, Reporting Agent Authorization
- Oral Tax Information Authorization
- Oral Disclosure Consent



Form 2848 - Power of Attorney and Declaration of Representative

- Authorizes representation based on eligibility to practice
- Representative must be an individual
- Recorded on Centralized Authorization File (CAF)
- May allow substitution / re-delegation of representation
- Taxpayer retains accountability

Form 8821 - Tax Information Authorization

- Designates an “Appointee”, which can be an individual, firm, etc.
- Generally recorded on Centralized Authorization File (CAF)
- Allows “Specific Use” request
- CP2000 contains Limited Tax Information Authorization section
- Oral Tax Information Authorization can be established



Third Party Designee / Checkbox

- “Checkbox” authority given to a “designee” on original return / form
- Limited to processing, payment and refund issues on that return
- Duration limited to one year from original return due date excluding any extensions



Common Reasons for Rejection – Form 2848

- Missing signature/signature date
- Improper identification of Tax Periods/Tax Matters
- Re-delegation of authority not specified by taxpayers
- Previous form not attached for retention of prior POA
- Missing delegation code, jurisdiction, or enrollment number



Common Reasons for Rejection – Form 8821

- Missing taxpayer signature and/or date
 - Page 4 of Form 8821 Instructions provide requirements for the signature and date
- Incorrect EIN/SSN for taxpayer or business, and IRS unable to perfect



Unenrolled Return Preparers as Representatives

- Can use Form 2848 to be named as Level H Representative only if:
 - Prepared return(s) listed on Form 2848
 - Listed return(s) are under audit
- Authority for Level H Representative is limited to discussion of issue with Customer Service Representatives, Revenue Agents, and other Examination employees



Hints Regarding Third Party Authorizations

- Notify the CAF or RAF Function via writing/fax if you have a change of address
 - CAF/RAF are not updated when address is changed on other IRS systems
- Can't remember your CAF number?
 - Call Practitioner Priority Service (PPS)
- Exercise care on “Specific Use Only” for Forms 2848 or 8821
 - These authorizations are not recorded on CAF



Processing of POA and TIA Requests

- Disclosure Authorization (DA)
 - Application within e-Services
 - Allows immediate input of new POA and TIA, or modifications
- Fax Service
 - Available 24/7
 - Processed within 48 business hours
- Paper Forms
 - Processed within 5 business days of receipt



Hints for Successful Input on DA

- Confirm accuracy of taxpayer information on TP Information Screen
- Use previously assigned CAF number
- Use care when checking boxes on Powers Information Screen
- Entry in “Authorized Acts” box of Powers Information Screen creates modified POA
 - TDS and EAR access not available with modified POA



Withdrawal / Revocation of POA

- Taxpayer “revokes” authorization, while representative “withdraws” authorization
- Must be in writing
- Must list all tax periods and matters that are being withdrawn or revoked
- Must be dated and signed
- Easiest method for complete withdrawal – use “marked” original Form 2848 or 8821



Resources

- **Publication 947**, *Practice Before the IRS and Power of Attorney*
- **Publication 4245**, *Power of Attorney*
- **Publication 4019**, *Third Party Authorizations*
- **Publication 216**, *Conference and Practice Requirements*
- **Publication 470**, *Limited Practice Without Enrollment*
- **Circular 230**

